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SUBJECT: UZBEKISTAN: S&T IN UZBEKISTAN AND PROGRESS ON A U.S.-UZBEK
S&T AGREEMENT

REF: TASHKENT 132

11. (SBU) SUMMARY. OES/STC Officer Michael C. Schena (ESToff) visited Uzbekistan from June 1 through July 6 to discuss Uzbek Science and Technology (S&T) infrastructure and to continue negotiations on a U.S.-Uzbek S&T Cooperation Agreement. Uzbek science officials expressed a strong desire to continue and expand cooperation with the United States on S&T issues. Uzbekistan is interested in collaborative research in both fundamental and applied sciences. Although agreement on the final version of the S&T Agreement was not reached during ESToff's visit, substantial progress was achieved that should allow the agreement to be finalized before the end of 2009. END SUMMARY

S&T AGREEMENT BACKGROUND

12. (SBU) An S&T Agreement was first proposed to the GOU in 2004. That agreement was shelved as a consequence of the decertification following the 2005 Andijan events and the subsequent decline in overall relations. In mid 2008, as part of the rapprochement between the U.S. and Uzbekistan, an S&T framework agreement was again proposed as a means to increase collaboration in the non-military sector. Due to delays on the U.S. side, the GOU was first to propose text for this agreement (reftel). Around the time the GOU proposed this text, clearance was received to present the USG draft text of the agreement. Both sides later agreed that the USG version would be the starting point for negotiations.

R&D POLICY IN UZBEKISTAN

13. (SBU) The Uzbekistan Academy of Sciences is the governmental organization that carries out fundamental and applied research in scientific, technical and cultural spheres. The Academy is under the Committee for Coordination of Science and Technology Development at the Cabinet of Ministers. The Chairman of the S&T Committee is also the President of the Academy of Sciences. The Academy develops and implements most important fundamental and applied programs, takes part in

identifying and developing priority directions of scientific progress, and decides the organizational and structural issues of its structural dependents that currently consist of 48 research institutes covering approximately 422 sub-disciplines.

14. (SBU) The Uzbekistan Academy of Sciences:

-- carries out fundamental research in the natural, technical, medical, and social sciences and in the humanities;

-- supports economic, social and cultural progress of Uzbek society;

-- implements state policies in science and technical fields;

-- develops new technologies and provides for their practical implementation;

-- provides vocational training to scientists, supports scientific and technical collaboration and exchanges of Uzbek scientists;

-- develops international cooperation with foreign academies, scientific-research organizations, international funds and other international organizations.

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FIRST S&T AGREEMENT MEETING AT THE MFA

15. (SBU) On June 5 ESToff met with Komil Rashidov, Head of the MFA's Treaty Law Department, to discuss the draft text of the bilateral S&T Cooperation Agreement. Rustam M. Saidov from the Uzbek Committee for Coordination of S&T Development was also in attendance.

16. (SBU) Rashidov had few objections to the draft text. He requested we consider the Uzbek draft text (reftel) and see what from that could be incorporated. Rashidov's principal objection was to the article relating to the prohibition of taxation of FOAA Funds. His objection was the lack of reciprocity in that this is one of the few paragraphs not beginning with "the Parties." Rashidov then went on to explain that Uzbek law prohibits the taxation of grants and applying customs duties to any commodity used for science and technology. ESToff explained the congressional mandate requiring this language as well as the fact that using "the Parties" in this article would lead to text stating that the USG will not tax USG funds. ESToff stated we could remove the language and instead state "no FOAA funds will be used," but cautioned that this could limit funding in the future. Saidov asked for further clarification on this point, to which ESToff offered to provide further detail on FOAA at the next meeting.

17. (SBU) Rashidov's second objection was to the agreement's 10 year duration. Although the USG prefers 10 years, the agreement could in fact be as short as the Uzbeks want, but this could limit the scale of long term projects. ESToff and Rashidov agreed to meet again in 13 days.

SECOND (INFORMAL) S&T AGREEMENT MEETING

18. (SBU) It soon became apparent, however, that the GOU was "not ready" to formally discuss the S&T agreement and would not be ready in time for a second formal meeting with ESToff. Instead, on July 1 ESToff held informal discussions with Saidov and Prof. Madjid Karimov, Executive Director for the S&T Committee. Karimov

informed that the agreement is with the MFA and that they have taken into account the matters discussed at the last meeting. Karimov said the GOU would accept both annexes "as is," which could be seen as progress in the relationship with the GOU on IPR issues. In regards to Article 8 FOAA language, Karimov did not formally propose text, but asked if it would be possible to modify the language in Article 8.5 to state the following: "All funds, grants, commodities, services, equipment and resources used in persistence to this agreement shall be exempt from customs, duties, taxation, fees, etc." This would in fact be more encompassing than the USG proposed language that only related to FOAA funds. Though formal language will have to be vetted to determine whether this can meet the statute, Karimov reiterated the GOU's desire to have this agreement and stated the text should be ready "soon."

COMMENT

¶9. (SBU) There do not appear to be many obstacles, other than the GOU bureaucracy, to moving the S&T agreement forward. Prospects are good that it will be concluded sometime in 2009.

¶10. (SBU) ESToff also met with numerous scientists, all of whom expressed strong interest in renewing and/or expanding ties with American counterparts. Many labs have been upgraded with assistance from international

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collaborators including STCU, CRDF, EU-INTAS, UNDP and individual American researchers. A number of labs also receive direct budget support for equipment and training upgrades.

¶11. (SBU) ESToff found it remarkable that a large number of young scientists are working in the labs that he visited. This points to a bright future for Uzbek science and shows that science will continue to be a priority for the GOU even after Soviet era scientists depart the scene.

¶12. (SBU) For its part, Post would like to thank ESToff Schena for a productive TDY and commend him for his work in setting the stage for a possible S&T agreement this year.

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